

November 5, 2002

Mr. Daniel Mathis
FHWA Division Administrator
Federal Highway Administration
P.O. Box 40943
Olympia, WA 98504-0943

Dear Mr. Mathis:

Subject: Construction Contract Claims

Enclosed, for your information, are the following Contract Claims Reports:

- Active Claims and Lawsuits (as of 10/1/02)
- Active Significant Disputes (as of 10/1/02)
- Formal Claims & Lawsuits Settled (5/11/02 thru 9/30/02)
- Significant Disputes Settled (5/11/02 thru 9/30/02)

We have attempted to identify only the most significant disputes. There are, of course, a number of arguments, disagreements and minor disputes in nearly every contract. The large majority of these are resolved at the project level and never come to our attention. It is also possible that some formal claims are received and resolved without the knowledge of this office. We do believe that these reports accurately represent the claims status in the Department.

Last May, we reported two active claims. During the time since, one of these disappeared when the contractor failed to act within the 180-day limit. We now have a total of one claim, which involves State funds only.

Last May, we reported six significant disputes. Since then, five of those were resolved and three new disputes were added, one of which was also resolved during the period. The current total of unresolved significant disputes is three.

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One of the highest priorities of the Construction Office is to assist in the resolution of claims and disputes while maintaining the high level of mutual respect and collaboration we presently enjoy with our contractor partners. With the success of this effort and the resulting decline in the number of reportable issues, we have changed this report to an annual basis, updating you in October of each year.

Sincerely,

Kevin J. Dayton, P.E.
State Construction Engineer

Ronald D. Howard, P.E.
Construction Engineer, Administration

KJD/RDH
Enclosure

cc: Cathy Arnold, NB82-240	Ron Paananen, NB82-101
Bill Attridge, 40113	Ralph Robertson, Eastern Region
Doug Ficco, S15	Dan Sarles, North Central Region
Jeff LaBreck, 47325	Rick Smith, 47370
Don Nelson, 47350	Jodie Stanton, 47420
Phil Nickson, South Central Region	Jerry Walter, 47440